

Sino-US Relations: Commitments and Intentions, 1977-1983Summary

An extensive review of the record of Sino-US relations since 1977 reveals no oral or written commitments on either side that have clearly been unfulfilled.\* US statements of intention, however, have led to misunderstanding, largely in the area of technology transfer and in scientific and technological cooperation. [redacted]

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Even before the normalization of relations in December 1978, the US attempted to induce China into a closer relationship by holding out the prospect of economic and technical gains. Where formal commitments were given—for example, to grant most favored nation status or to apply OPIC guarantees to China—the US has lived up to the letter of its promises. Where broad statements of intention and hope were made, the US has not matched China's expectations. Beijing's major complaints to the US deal with an alleged failure to honor promises in the area of licensing technology exports. Cases such as the IBM census computers, the Western Geophysical package, and the Landsat D ground station have dragged on for years, despite assurances from top-level US officials, including Secretary Haig who told Deng Xiaoping in June 1981 that China would be treated like "any other friendly, non-allied state" on trade and technology transfer. [redacted]

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Chinese complaints in recent years have resulted in part from exaggerated expectations and Chinese inexperience in dealing with the West. Beijing, for example, accepted what was generally regarded as an unfavorable settlement of the claims/assets problem primarily in order to remove an obstacle to what it expected would be the greater economic benefits of normalization. Similarly, Chinese criticism of the limited nature of their most favored nation treatment suggests misinformed anticipation in 1979 of the nature of this concession. There also are some indications in the record that the Chinese expected to be treated especially generously by the US because of China's low starting point in both trade and technology. [redacted]

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China's commitments to the US, while few in number, have all reflected Beijing's desire to consolidate relations with the

\*This paper is based on a broad search of the record, which is scattered among several agencies. We regard commitments to be formal undertakings to take a specific course of action or to desist from an action. Statements of intention are those remarks, usually oral, that were not intended as commitments but which have been interpreted as conveying a willingness to undertake a specific course of action.

-SECRET [redacted]

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US. Beijing's grudging acceptance, for example, of a continuation--at least temporarily--of US arms sales to Taiwan in 1978 and again in 1982 came at times when the Chinese wanted to demonstrate forward movement in the relationship. In March 1981 when the Chinese were especially sensitive about US intentions toward Taiwan, President Reagan for the first time got private assurances that China would pursue a policy of peaceful reunion with Taiwan.

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Common concern over Soviet activities has led to consultations on world issues, exchanges of intelligence information, and other forms of cooperation. These have arisen, largely at US initiative, not as a result of formal commitments but out of a joint recognition that they serve the interests of both countries. Neither side appears bound by any agreement to continue these activities and their continuation reflects the state of the Sino-US relationship and the extent to which the perceptions of the two countries coincide.

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The Director of Central Intelligence

Washington, D.C. 20505

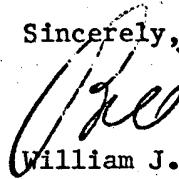
14 January 1983

Dear George:

In the past we have discussed the possibility that American officials have made commitments to the Chinese that were not subsequently fulfilled. The attached appendix, entitled "US and Chinese Statements, 1977 to the present," is an accounting based on a review of files in Atlanta, Plains, the NSC, Defense, Commerce, Treasury, and State.

The accounting shows that the Chinese had good reason to expect that the US would license more high technology than has been the case. Note particularly pages 14 through 18 and pages 27 through 35.

Sincerely,



William J. Casey

Attachment  
As Stated TS833480

The Honorable George P. Shultz  
Secretary of State

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